

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF GREAT OAKS)	
SANITATION, INC. AND PURCHASE PUBLIC)	
SERVICE CORPORATION, A KENTUCKY)	
CORPORATION, FOR APPROVAL OF A "REAL)	
ESTATE PURCHASE AGREEMENT" PROVIDING FOR)	CASE NO.
THE TRANSFER BY GREAT OAKS SANITATION,)	93-205
INC. OF A WASTEWATER TREATMENT PLANT)	
SERVICING THE GREAT OAKS SUBDIVISION IN)	
MCCRACKEN COUNTY, KENTUCKY TO PURCHASE)	
PUBLIC SERVICE CORPORATION)	

O R D E R

On June 2, 1993, Great Oaks Sanitation, Inc. ("Great Oaks") and the Purchase Public Service Corporation ("PPC") jointly filed an application for Commission approval to transfer ownership of the wastewater treatment plant serving the Great Oaks Subdivision in McCracken County, Kentucky.

Having reviewed the application and the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Great Oaks owns and operates a wastewater treatment plant in the Great Oaks Subdivision of McCracken County, Kentucky, and is therefore a "utility" as defined by KRS 278.010(3)(f).

2. PPC is a non-profit Kentucky corporation organized and existing for the purpose of operating water systems, wastewater treatment plants and facilities, and other infrastructures serving the general public.

3. A transfer agreement was executed on May 10, 1993, which is contingent upon Commission approval of the transfer.

4. PPC employs individuals who are certified as wastewater systems operators by the Natural Resources and Environmental Protection Cabinet, Division of Water.

5. In view of its financial assets, PPC has sufficient financial integrity to ensure the continuity of sewage service. A copy of a valid third-party beneficiary agreement guaranteeing the continued operation of the sewage treatment system is therefore not required.

6. PPC has the financial, technical, and managerial abilities to provide reasonable utility service to customers of Great Oaks.

7. PPC should maintain its books of accounts in accordance with the Uniform System of Accounts for Sewer Utilities prescribed by the Commission.

IT IS THEREFORE ORDERED that:


1. The proposed transfer be and it hereby is approved.

2. PPC shall file with the Commission a stamped, filed copy of the deed of conveyance within 10 days of the deed being filed with the County Court Clerk's office.

3. PPC shall file journal entries reflecting its accounting of the transfer within 30 days of the date of this Order. The transfer shall be recorded on the books of PPC in accordance with Finding Paragraph 7 herein. If it is necessary for a plant acquisition adjustment to be recorded, it shall be amortized over the remaining useful life of the purchased plant.

Done at Frankfort, Kentucky, this 13th day of July, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director